



APR 22 2005

The Honorable Edward Rendell
Governor of Pennsylvania
Main Capitol Building, Room 225
Harrisburg, Pennsylvania 17120

Dear Governor Rendell:

It is with pleasure that I respond to the Commonwealth of Pennsylvania's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. The following is the disposition of the waiver submission (copy enclosed).

Requested Waiver 1: Waive the prohibition on the use of Individual Training Accounts (ITA) for youth at 20 CFR 664.510.

The Commonwealth indicates that the waiver would offer flexibility in using youth funds to provide training services to youth while retaining limited adult funds to be used on adult training services. The request further states that the waiver would allow local areas to enhance delivery of occupational skills training and promote better customer choice for youth. The waiver request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and appears to meet the standard for approval at 20 CFR 661.420(e).

Accordingly, the Commonwealth is granted a waiver of the prohibition on the use of ITAs for older and out-of-school youth at 20 CFR 664.510 through June 30, 2007, with an effective date of January 1, 2005. Under the waiver, local workforce boards will have the option to use the Eligible Training Provider system to secure training providers for these two youth populations, as appropriate.

Requested Waiver 2: Waive the youth eligibility requirements at WIA Section 101(25) and 20 CFR 664.200 and 20 CFR 664.250, and the definition of Low-Income Individual at WIA Section 101(25).

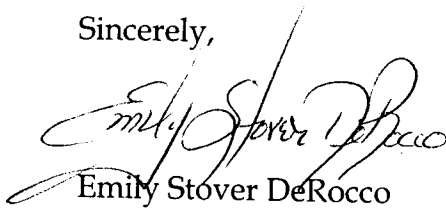
The Commonwealth is seeking a waiver of the family income criteria for youth eligibility. The current regulations at 20 CFR 664.250 permit a disabled youth whose family does not meet income eligibility criteria to be eligible for youth services, under certain conditions. The Commonwealth seeks a waiver to broaden this allowance to include at-risk youth as defined under the Job Training Partnership Act, and youth

who meet the eligibility requirements for free meals under the National School Lunch Program. The waiver request indicates that youth with multiple barriers often cannot be served because the family income is too high or because the income cannot be verified.

Provisions related to eligibility of providers and participants are excluded from the WIA waiver authority and cannot be waived. The statute provides some flexibility to states in this area through a limited exception to the low-income criterion at WIA Section 129(c)(5). Additionally, the regulations (20 CFR 661.120) give states and local governments authority to establish their own policies and guidelines relating to verifying and documenting eligibility, as long as they are consistent with the statute, the regulations and other federal statutes. ETA Training and Employment Guidance Letter No. 12-01 provides information on eligibility documentation that may be useful in addressing the challenges described in the waiver request.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

A handwritten signature in cursive script, appearing to read "Emily Stover DeRocco", is written over a horizontal line.

Emily Stover DeRocco

Enclosure